

AGRICULTURE

8570 Department of Food and Agriculture

Background. The California Department of Food and Agriculture (CDFA) provides services to both producers and consumers of California's agricultural products in the areas of agricultural protection, agricultural marketing, and support to local fairs. The purpose of the agricultural protection program is to prevent the introduction and establishment of serious plant and animal pests and diseases. The agricultural marketing program promotes California's agricultural products and protects consumer and producers through the enforcement of measurements, standards, and fair pricing practices. Finally, the department provides financial and administrative assistance to county and district fairs.

Governor's Budget. The Governor's budget proposes \$318 million to support CDFA in 2005-06. This is approximately \$1.6 million more than the level of expenditures estimated in the current year. This increase is primarily due to new programs to address emerging diseases and laboratory upgrades.

Summary of Expenditures				
(dollars in thousands)	2004-05	2005-06	\$ Change	% Change
Type of Expenditure				
Agricultural Plant and Animal Health, Pest Prevention, and Food Safety Services	\$148,953	\$155,250	\$6,297	4.2
Marketing and Commodity and Agricultural Services	69,730	71,025	1,295	1.9
Assistance to Fair and County Agricultural Activities	76,606	76,521	-85	-0.1
Capital Outlay	19,652	14,802	-4,850	-24.7
Administration	13,180	14,422	1,242	9.4
<i>less distributed administration</i>	<i>-12,077</i>	<i>-13,237</i>	<i>-1,160</i>	<i>0.0</i>
Unallocated Reduction	0	-1,159	-1,159	0.0
Total	\$316,044	\$317,624	\$1,580	0.5
Funding Source				
General Fund	\$95,977	\$100,062	\$4,085	4.3
Agriculture Fund	112,545	115,734	3,189	2.8
Other Special Funds	48,046	45,321	-2,725	-5.7
Bond Funds	1,000	1,178	178	17.8
<i>Budget Act Total</i>	<i>257,568</i>	<i>262,295</i>	<i>4,727</i>	<i>1.8</i>
Federal Trust Fund	35,295	33,648	-1,647	-4.7
Public Building Construction Fund	12,824	11,203	-1,621	-12.6
Harbors and Watercraft Revolving Fund	1,197	1,241	44	3.7
Reimbursements	9,159	9,237	78	0.9
Total	\$316,043	\$317,624	\$1,581	0.5

Highlights

Funding for Mediterranean Fruit Fly Prevention Release Program. The Governor proposes \$8 million General Fund to establish a permanent Mediterranean Fruit Fly (Medfly) Prevention Release program in the Los Angeles basin. This program would provide for the continual release of sterile Medflies within 2,500 square miles of the Los Angeles basin.

Funding Emerging Threats to Food Production. The Governor proposes \$2.7 million General Fund to implement programs that address emerging diseases that seriously affect humans and animals and potential terrorist attacks on the food supply. Some of the emerging diseases addressed by these programs include Mad Cow Disease and Avian Influenza.

Issues

Review of Position Report. The Legislature enacted, and the Governor signed, legislation as part of the 2004-05 budget to require the department to follow normal state procedures for establishing new positions. This legislation also required the department to report on all of the existing positions created outside of normal state procedures. The Legislature may wish to evaluate this report and determine whether the positions created outside the normal state procedures are warranted on a workload basis.

Review Funding Options for the Mediterranean Fruit Fly Program. The Legislature and the Legislative Analyst's Office have attempted to explore other funding options for the state's Medfly Program. In 2004-05, the Legislature approved reporting language that requires the department to develop further options related to assessing international travel and commerce fees and maximizing federal funds to help fund the Medfly program. The Legislature may want to evaluate the department's response to this request in order to determine whether there is another feasible funding source, besides the General Fund, for the Medfly program.